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THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS: THE REALIZATION OF THE RIGHT TO DEVELOPMENT

Joint written statement*/ submitted by Europe-Third World Centre, a non-governmental organization in general consultative status, and the American Association of Jurists, the Commission for the Defense of Human Rights in Central America, the Federación de Asociaciones de Defensa y Promoción de los Derechos Humanos, North-South XXI and the Service Peace and Justice in Latin America, non-governmental organizations in special consultative status

The Secretary-General has received the following written statement which is circulated in accordance with Economic and Social Council resolution 1996/31.

[31 July 2000]

*/ This written statement is issued, unedited, as received from the submitting non-governmental organization(s).

THE ROLE OF THE UNITED NATIONS IN THE PROMOTION OF THE RIGHT TO DEVELOPMENT

I. In 1978, the non-governmental organization "Declaration de Berne" published a booklet entitled "The infiltration of multinational corporations into the United Nations". Based on solid documentation the booklet describes the activities carried out by important transnational corporations (Brown-Bovery, Nestle, Sulzer, Ciba-Geigy, Hoffmann-La Roche, Sandoz, Massey-Ferguson, etc.) With the view to influencing the decisions taking by different bodies of the United Nations system. At present, "infiltration" is no longer neccesary because the doors of the United Nations are being widely opened to the transnational corporations in accordance with the general pattern of granting decision-making power to the big economic and financial conglomerates while taking such power away from its legitimate owners- the States and the peoples, the United Nations engages in a policy that works in detrimental to the civil, political, social, cultural and economic rights of the great majority of the world population.

II. Former Secretary General Butrous Ghali made several public statements outlining the current policy of the United Nations, which promotes a closer association of transnational corporations in the process of international decisions (among that Davos 1/26/95), and recognizes the primacy of the transnational society over inter-estates society (speech at the University Carlos III, Madrid, 4/15/94).

III. The current Secretary General, Mr. Kofi Annan sped up the process to put the United Nations under the rule of the transnational corporations. In his report to the General Assembly on "The enterprising capacity and privatization as a means to promote economic growth and sustainable development" (A/52/428), the Secretary General assumed an unequivocal position in favor of "a single economic model" (see the analysis of the report in statement submitted to the Sub-Commission by AAJ and CETIM in 1998, E/CN.4/Sub.2 /1998/NGO 20).

The model that the report of the Secretary General attempts to promote is in absolute conformity with the imperatives oriented towards increasing the profits of international corporations and banks through a globalization intended to reduce costs and capture markets regardless of the economic, social or political consequences to the countries and peoples affected. "The model " is in fact an imposition of an economic system that reinforces the rule of the rich countries and, in particular, their economic and financial elites over the majority of peoples and nations of the world.

The Secretary General maintains in his report that "..... deregulation has become the slogan for governmental reforms of every developed as well as underdeveloped country" (par. 50 of the Report), and it promotes the sale of public corporations trusting: "... the management of property and investment by the people having the experience and the necessary capacity to improve production, even if that means, at times, the sale of the stocks to foreign investors" (par. 29). At the beginning of the same paragraph he pronounces himself against the "ample distribution of the capital of private corporations," meaning that he disagrees with the participation of small investors. The proposal is clear: all viable large public corporations must be in the hands of the leading transnational corporations.

This is an attempt to legitimize the policies practiced at a worldwide scale, which consists of wrongfully sell viable state corporations, offen through procedures which are clearly corrupt, with a view to privatizing profits and socializing loses.

The Secretary General seems to ignore that the public sector has contributed to progress, social cohesion and technological innovation. The analysis of the Secretary General omits the fact

that imposing on public enterprises management criteria inherent in the private sector, e.g. the earning of profits, frequentley had a negative effect because undermines the proper purposes of the public sector, including the notion of public service.

In the above mentioned report, the Secretary General reiterates the plan outlined in July 1997, in the context of proposals for the reform of the United Nations, to establish an inter-institutional service linking private corporations with the United Nations, and to make arrangements with well-known corporations witha view to establishing improved mechanisms to continue the dialogue between representatives of the business world and the United Nations (Report of the Secretary General A/51/950, par. 216. Meas. 17 c) and d)). This project is already being implemented through the " Global Compact" which will be inaugurated by July 25th, 2000.
Wisely, the extraordinary session of the General Assembly of June 2000 (Copenhagen+5) decided, on the basis of a proposal of the Group of 77, to omit any reference to Global Compact in its final declaration.

IV. One of the results of the strategy designed by the Secretary General is the Fund for a Sustainable Development (GSDF) which has been established by an agreement between UNPD and a group of transnational corporations. The great majority of these corporations are responsible, or share responsibility for political, social, economic as well as gross human rights violations and severe environmental damages. Among such corporations are the British company Rio Tinto; Oracle , AT &T, Ownes Corning and Dow Chemical from the United States, the Swiss/Swedish ABB and the Swiss Norvatis.

The Board of the Fund will be composed of representatives of UNPD and the transnational corporations. Thus the Fund is a private institution within the United Nations system. The transnational corporations, pay a very modest membership fee to the Fund (50,000 US dollars) and they can play, in exchange, a very important role in the decisions of the United Nations organs and agencies, while covering their harmful and wrongful activities under the mask of humanitarian aid (see www.corpwatch.org).

V. The report entitled " Business and Human Rights : A Progress Report" from the Office of the High Commissioner on Human Rights of the United Nations, January 2000, openly confirms such strategy. The Report states: "At the dawn of the 21st century, one of the most significant changes in the human rights debate is the increased recognition of the link between business and human rights... "

The general philosophy underlying the report is that good business and human rights mutually reinforce and that, as a consequence, it is appropriate to privatize the promotion of such rights. So, why not the rights themselves?

VI. The implementation of the strategy to confer an increasingly larger share of power to the transnational corporations in the United Nations began in 1993 with the suppression of United Nations bodies which had been trying to establish a social control over the activities of the transnational corporations. One of those bodies was the Commission on transnational corporations established by ECOSOC resolution 1913 (LVII) in December 1974.

It was composed of 48 member States and it had as a priority the investigation of activities of transnational corporations and the elaboration of a code of conduct for transnational corporations, such code was never adopted.

In 1974, ECOSOC, by its Resolution 1908 (LVII), established the Center for Transnational Corporations (CTC). CTC was created as an autonomous organ of the United Nations Secretariat. In

1993, the Secretary General of the United Nations decided that CTC would become the Transnational and International Investment Division within the United Nations Conference on Trade and Development (UNCTAD).

On the other hand, through resolution 1994/1 of July 14 1994, the Economic and Social Council decided to transform the Commission on Transnational Corporations into a Commission of UNCTAD considering the "change in orientation of the Commission." Such change involved the withdrawal of any attempt to establish a social control over the transnational corporations and the taking up of the question of "contribution of transnational corporations to growth and development."

VII. Further evidence of the process towards placing the system of the United Nations at the service of the transnational corporations is given by the growing intervention of the World Bank into the most diverse aspects of the activities of the United Nations. While the World Bank is formally a specialized agency of the system, in fact it is an instrument of the policies of the transnational corporations and the rich countries (in particular of the United States). The World Bank is openly infringing the norms established in the Charter of the United Nations for the specialized agencies: it remain outside the supervision of the General Assembly and ECOSOC.

VIII. In January 2000, during the inauguration in Davos of the web page www.unglobalcompact.org , the electronic voice of "Global Compact" (the United Nations alliance with the transnational corporations), Mary Robinson, the High Commissioner on Human Rights of the United Nations; Juan Somavia, the General Director of ILO; Klaus Topfer, Executive Director of UNDP; Erick Schmidt, the Executive Director of Novell (Informatics programs corporation) Bill Jordan, the Secretary General of the International Confederation of Free Trade Unions; and Sir John Browne, Executive Director of British Petroleum (BP) were present.

The participation of Sir Browne was shocking, taking into account the "curriculum" of the company he is heading. BP is the major foreign investor in Colombia and it has been accused in the European Parliament by the British representative, Richard Howe, for violation of peasants, indigenous communities and union leaders human rights. Even though, BP denies to have financed paramilitary groups, it recognizes that it provides funds for the Colombian Army, alleging that it has "strictly defensive aim." (see "Colombia: British Petroleum en Guerra contra Sindicatos" from the Union Sindical Obrera de Colombia, Junta Directiva Nacional 2/15/99 www.labournet.org.uk/spanish/1999/coluso.html).

Human Rights Watch stated in January 1999 that BP was an example of the participation of the energy industry in human rights violations (see "The Enron Corporation: Corporate complicity in human rights violations").

BP is distinguished also by its socio-economic "performance": Between 1990 and 1996 BP reduced its personnel from 116.000 to 53,700 and increased its earning from 900 million US dollars in 1993 to 4300 million in 1996 (Quid 98, ed. Robert Laffont, France, p. 1773). In August 1998 BP merged with AMOCO. It was labeled as "the greatest merger in industrial industry." It was "celebrated" with 6,000 layoffs (newspaper El Mundo, Spain 8/12/98).

IX. The common document of the Secretary General, the World Bank, IMF and OCDE, submitted to the General Assembly (extraordinary GA session Copenhagen +5) is one more egregious step towards the implementation of the policy of aligning the United Nations with the rich minority of the planet. This is a challenge to the international community of States represented in the United Nations and to the people of the United Nations as invoked by the Preamble of the Charter.

This policy implies a flagrant withdrawal of the principles of the United Nations as enshrined in its Charter, the Declaration on Human Rights and other international instruments. Art. 100 of the Charter of the United Nations states that the Secretary General represents the UN and responds exclusively to it and does not receive instructions from any other government or authority alien to the Organization.

The international community must react promptly and without ambiguity to the unprecedented degradation of the role of the United Nations in the context of economic, social and cultural rights and the right to development.

Note: The following non-governmental organizations have expressed their support for this statement: Asociación Pro Derechos Humanos de España, Asociación Contra la Cultura Punitiva y de Exclusión Social, de Barcelona, España; Central Latinoamericana de Trabajadores (CLAT); Comisión Latinoamericana por los Derechos y Libertades de los Trabajadores (CLADEHLT); Instituto de Políticas Alternativas para el Cono Sur (PACS) from Brasil; Nuevos Derechos del Hombre, from Argentina; Oficina Jurídica Para la Mujer, from Cochabamba, Bolivia; ECOROPA; Servicio Paz y Justicia, from Argentina and Transnational Resource & Action Center (TRAC), from United States of America.

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(1) In June 2000 the UNDP announced that it canceled plans to create the GDSF, after a year campaing by environmentalists, human rights groups, labor unions and other non-governmental organizations (see www.corpwatch.org/un).